

“(3) the term ‘institution of higher education’ has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

“(b) FUNDING AND OTHER ASSISTANCE.—

“(1) FAILURE TO DISCLOSE FOREIGN FUNDING.—

“(A) OFFENSE.—It shall be unlawful for a person, while applying for or accepting a grant or other funding from an agency of the United States for a covered research project, to knowingly and willfully fail to disclose to the agency any grant or other funding that the person has received or will receive for the same project from a foreign principal or an agent of a foreign principal, including through an intermediary.

“(B) PENALTY.—Any person who violates subparagraph (A) shall be fined under this title, imprisoned for not more than 3 years, or both.

“(2) FAILURE TO DISCLOSE MATERIAL FACTS.—

“(A) OFFENSE.—It shall be unlawful for a person, while applying for or accepting a grant or other funding from an agency of the United States for a covered research project, to knowingly and willfully fail to disclose to the agency a material fact relating to a connection between a foreign country and the project that might substantially impact the decision of the agency to provide funding to the project, including the fact that a person providing any assistance, including financial assistance, to the project is—

“(i) a national of a foreign country;

“(ii) affiliated with an institution comparable to an institution of higher education of higher learning, or another organization, that is headquartered in or substantially funded by a foreign country; or

“(iii) engaging in research activities for the project in a foreign country.

“(B) PENALTY.—Any person who violates subparagraph (A) shall be fined under this title, imprisoned for not more than 1 year, or both.

“(3) INSTITUTIONS OF HIGHER EDUCATION.—Any institution of higher education that knowingly and willfully fails to disclose to the appropriate agency of the United States that an officer, agent, or employee of the institution of higher education violated this subsection shall be fined not more than \$1,000,000 for each such violation.

“(c) TRANSMISSION OF INFORMATION.—

“(1) OFFENSE.—It shall be unlawful for any person, while applying for or accepting a grant or other funding from an agency of the United States for a covered research project, to knowingly transmit or attempt to transmit information gained in violation of a contract to which the person is a party, including a contract regarding nondisclosure of information, employment, or the provision of goods or services, intending or knowing that the transmission will benefit a foreign principal or an agent of a foreign principal.

“(2) PENALTY.—Any person who violates paragraph (1) shall be fined under this title, imprisoned for not more than 10 years, or both.”

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 45 of title 18, United States Code, is amended by inserting after the item relating to section 950 the following:

“951A. Disclosure of research assistance from foreign governments.”

SA 1947. Ms. BALDWIN submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. SCHUMER to the bill S. 1260, to establish a new Directorate for Technology and Innovation in the National Science Foundation, to establish a regional

technology hub program, to require a strategy and report on economic security, science, research, innovation, manufacturing, and job creation, to establish a critical supply chain resiliency program, and for other purposes; which was ordered to lie on the table; as follows:

Strike 2510 of division B and insert the following:

SEC. 2510. COUNTRY OF ORIGIN LABELING ON-LINE ACT.

(a) MANDATORY ORIGIN AND LOCATION DISCLOSURE FOR PRODUCTS OFFERED FOR SALE ON THE INTERNET.—

(1) IN GENERAL.—

(A) DISCLOSURE.—It shall be unlawful for a product that is required to be marked under section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) or its implementing regulations to be introduced, sold, advertised, or offered for sale in commerce on an internet website unless the internet website description of the product—

(i)(I) indicates in a conspicuous place the country of origin of the product (or, in the case of multi-sourced products, countries of origin), in a manner consistent with the regulations prescribed under section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) and the country of origin marking regulations administered by U.S. Customs and Border Protection; and

(II) includes, in the case of—

(aa) a new passenger motor vehicle (as defined in section 32304 of title 49, United States Code), the country of origin disclosure required by such section;

(bb) a textile fiber product (as defined in section 2 of the Textile Fiber Products Identification Act (15 U.S.C. 70b)), the country of origin disclosure required by such Act;

(cc) a wool product (as defined in section 2 of the Wool Products Labeling Act of 1939 (15 U.S.C. 68)), the country of origin disclosure required by such Act;

(dd) a fur product (as defined in section 2 of the Fur Products Labeling Act (15 U.S.C. 69)), the country of origin disclosure required by such Act; and

(ee) a covered commodity (as defined in section 281 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1638)), the country of origin information required by section 282 of such Act (7 U.S.C. 1638a); and

(ii) indicates in a conspicuous place the country in which the seller of the product is located (and, if applicable, the country in which any parent corporation of such seller is located).

(B) ADDITIONAL REQUIREMENT.—The disclosure of a product's country of origin required pursuant to subparagraph (A)(i) shall not be made in such a manner as to represent to a consumer that the product is in whole, or part, of United States origin, unless such disclosure is consistent with section 5 of the Federal Trade Commission Act (15 U.S.C. 45(a)) and any regulations promulgated by the Commission pursuant to section 320933 of the Violent Crime Control and Law Enforcement Act of 1994 (15 U.S.C. 45a), provided that no other Federal statute or regulation applies.

(C) LIMITATION.—The provisions of this paragraph shall not apply to a pharmaceutical product subject to the jurisdiction of the Food and Drug Administration.

(2) CERTAIN DRUG PRODUCTS.—It shall be unlawful for a drug that is not subject to section 503(b)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353(b)(1)) and that is required to be marked under section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) to be offered for sale in commerce to consumers on an internet website unless the internet

website description of the drug indicates in a conspicuous place the name and place of business of the manufacturer, packer, or distributor that is required to appear on the label of the drug in accordance with section 502(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352(b)).

(3) OBLIGATION TO PROVIDE.—A manufacturer, distributor, seller, or private labeler seeking to have a product introduced, sold, advertised, or offered for sale in commerce shall provide the information identified in clauses (i) and (ii) of paragraph (1)(A) or paragraph (2), as applicable, to the relevant retailer or internet website marketplace.

(4) SAFE HARBOR.—A retailer or internet website marketplace satisfies the disclosure requirements under subparagraphs (i) and (ii) of paragraph (1)(A) or paragraph (2), as applicable, if the disclosure required under such clauses or paragraph (2), as applicable, includes the country of origin and seller information provided by a third-party manufacturer, distributor, seller, or private labeler of the product. If the retailer or internet website marketplace determines or has a reasonable basis to conclude that the information provided by a third-party manufacturer, distributor, seller, or private labeler to the retailer or internet website marketplace for a product is false or deceptive, the retailer or internet website marketplace shall not be required to disclose such false or deceptive information and shall be deemed to meet the disclosure requirements under such clauses (i) and (ii) or paragraph (2), as applicable, for that product.

(b) PROHIBITION ON FALSE AND MISLEADING REPRESENTATION OF UNITED STATES ORIGIN ON PRODUCTS.—

(1) UNLAWFUL ACTIVITY.—Notwithstanding any other provision of law, and except as provided for in paragraph (2), it shall be unlawful to make any false or deceptive representation that a product or its parts or processing are of United States origin in any labeling, advertising, or other promotional materials, or any other form of marketing, including marketing through digital or electronic means in the United States.

(2) DECEPTIVE REPRESENTATION.—For purposes of paragraph (1), a representation that a product is in whole, or in part, of United States origin is deceptive if, at the time the representation is made, such claim is not consistent with section 5 of the Federal Trade Commission Act (15 U.S.C. 45(a)) and any regulations promulgated by the Commission pursuant to section 320933 of the Violent Crime Control and Law Enforcement Act of 1994 (15 U.S.C. 45a), provided that no other Federal statute or regulation applies.

(3) LIMITATION OF LIABILITY.—A retailer or internet website marketplace is not in violation of this subsection if a third-party manufacturer, importer, distributor, or private labeler provided the retailer or internet website marketplace with a false or deceptive representation as to the country of origin of a product or its parts or processing.

(c) ENFORCEMENT BY COMMISSION.—

(1) UNFAIR OR DECEPTIVE ACTS OR PRACTICES.—A violation of subsection (a) or (b) shall be treated as a violation of a rule prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(2) POWERS OF THE COMMISSION.—

(A) IN GENERAL.—The Commission shall enforce this section in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this section.

(B) PRIVILEGES AND IMMUNITIES.—Any person that violates subsection (a) or (b) shall

be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act (15 U.S.C. 41 et seq.) as though all applicable terms and provisions of that Act were incorporated and made part of this section.

(C) **AUTHORITY PRESERVED.**—Nothing in this section may be construed to limit the authority of the Commission under any other provision of law.

(3) **INTERAGENCY AGREEMENT.**—Not later than 6 months after the date of enactment of this division, the Commission, the U.S. Customs and Border Protection, and the Department of Agriculture shall—

(A) enter into a Memorandum of Understanding or other appropriate agreement for the purpose of providing consistent implementation of this section; and

(B) publish such agreement to provide public guidance.

(4) **DEFINITION OF COMMISSION.**—In this subsection, the term “Commission” means the Federal Trade Commission.

(d) **EFFECTIVE DATE.**—This section shall take effect 9 months after the date of the publication of the Memorandum of Understanding or agreement under subsection (c)(3).

SA 1948. Mr. HAWLEY submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. SCHUMER to the bill S. 1260, to establish a new Directorate for Technology and Innovation in the National Science Foundation, to establish a regional technology hub program, to require a strategy and report on economic security, science, research, innovation, manufacturing, and job creation, to establish a critical supply chain resiliency program, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I of division F, insert the following:

Subtitle D—Slave-Free Business Certification Act of 2021

SEC. 6131. SHORT TITLE.

This subtitle may be cited as the “Slave-Free Business Certification Act of 2021”.

SEC. 6132. REQUIRED REPORTING ON USE OF FORCED LABOR FROM COVERED BUSINESS ENTITIES.

(a) **DEFINITIONS.**—In this subtitle:

(1) **COVERED BUSINESS ENTITY.**—The term “covered business entity” means any issuer, as that term is defined in section 2(a) of the Securities Act of 1933 (15 U.S.C. 77b(a)), that has annual, worldwide gross receipts that exceed \$500,000,000.

(2) **FORCED LABOR.**—The term “forced labor” means any labor practice or human trafficking activity in violation of national and international standards, including—

(A) International Labor Organization Convention No. 182;

(B) the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7101 et seq.); and

(C) any act that would violate the criminal provisions related to slavery and human trafficking under chapter 77 of title 18, United States Code, if the act had been committed within the jurisdiction of the United States.

(3) **GROSS RECEIPTS.**—The term “gross receipts”—

(A) means the gross amount, including cash and the fair market value of other property or services received, gained in a transaction that produces business income from—

- (i) the sale or exchange of property;
- (ii) the performance of services; or
- (iii) the use of property or capital; and

(B) does not include—

(i) repayment, maturity, or redemption of the principal of a—

- (I) loan;
- (II) bond;
- (III) mutual fund;
- (IV) certificate of deposit; or
- (V) similar marketable instrument;
- (ii) proceeds from—

(I) the issuance of a company’s own stock; or

(II) the sale of treasury stock;

(iii) amounts received as the result of litigation, including damages;

(iv) property acquired by an agent on behalf of another party;

(v) Federal, State, or local tax refunds or other tax benefit recoveries;

(vi) certain contributions to capital;

(vii) income from discharge of indebtedness; or

(viii) amounts realized from exchanges of inventory that are not recognized under the Internal Revenue Code of 1986.

(4) **ON-SITE SERVICE.**—The term “on-site service” means any service work provided on the site of a covered business entity, including food service work and catering services.

(5) **ON-SITE SERVICE PROVIDER.**—The term “on-site service provider” means any entity that provides workers who perform, collectively, a total of not less than 30 hours per week of on-site services for a covered business entity.

(6) **SECRETARY.**—The term “Secretary” means the Secretary of Labor.

(b) **AUDIT AND REPORTING REQUIREMENTS.**—

(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, and every year thereafter, each covered business entity shall—

(A) conduct an audit of its supply chain, pursuant to the requirements of section 6133, to investigate the presence or use of forced labor by the covered business entity or its suppliers, including by direct suppliers, secondary suppliers, and on-site service providers of the covered business entity;

(B) submit a report to the Secretary containing the information described in paragraph (2) on the results of such audit and efforts of the covered business entity to eradicate forced labor from the supply chain and on-site services of the covered business entity; and

(C)(i) publish the report described in subparagraph (B) on the public website of the covered business entity, and provide a conspicuous and easily understood link on the homepage of the website that leads to the report; or

(ii) in the case of a covered business entity that does not have a public website, provide the report in written form to any consumer of the covered business entity not later than 30 days after the consumer submits a request for the report.

(2) **REQUIRED REPORT CONTENTS.**—Each report required under paragraph (1)(B) shall contain, at a minimum—

(A) a disclosure of the covered business entity’s policies to prevent the use of forced labor by the covered business entity, its direct suppliers, and its on-site service providers;

(B) a disclosure of what policies or procedures, if any, the covered business entity uses—

(i) for the verification of product supply chains and on-site service provider practices to evaluate and address risks of forced labor and whether the verification was conducted by a third party;

(ii) to require direct suppliers and on-site service providers to provide written certification that materials incorporated into the product supplied or on-site services, respectively, comply with the laws regarding

forced labor of each country in which the supplier or on-site service provider is engaged in business;

(iii) to maintain internal accountability standards and procedures for employees or contractors of the covered business entity failing to meet requirements regarding forced labor; and

(iv) to provide training on recognizing and preventing forced labor, particularly with respect to mitigating risks within the supply chains of products and on-site services of the covered business entity, to employees, including management personnel, of the covered business entity who have direct responsibility for supply chain management or on-site services;

(C) a description of the findings of each audit required under paragraph (1)(A), including the details of any instances of found or suspected forced labor; and

(D) a written certification, signed by the chief executive officer of the covered business entity, that—

(i) the covered business entity has complied with the requirements of this subtitle and exercised due diligence in order to eradicate forced labor from the supply chain and on-site services of the covered business entity;

(ii) to the best of the chief executive officer’s knowledge, the covered business entity has found no instances of the use of forced labor by the covered business entity or has disclosed every known instance of the use of forced labor; and

(iii) the chief executive officer and any other officers submitting the report or certification understand that section 1001 of title 18, United States Code (popularly known as the “False Statements Act”), applies to the information contained in the report submitted to the Secretary.

(c) **REPORT OF VIOLATIONS TO CONGRESS.**—Each year, the Secretary shall prepare and submit a report to Congress regarding the covered business entities that—

(1) have failed to conduct audits required under this subtitle for the preceding year or have been adjudicated in violation of any other provision of this subtitle; or

(2) have been found to have used forced labor, including the use of forced labor in their supply chain or by their on-site service providers.

SEC. 6133. AUDIT REQUIREMENTS.

(a) **IN GENERAL.**—Each audit conducted under section 6132(b)(1)(A) shall meet the following requirements:

(1) **WORKER INTERVIEWS.**—The auditor shall—

(A) select a cross-section of workers to interview that represents the full diversity of the workplace, and includes, if applicable, men and women, migrant workers and local workers, workers on different shifts, workers performing different tasks, and members of various production teams;

(B) if individuals under the age of 18 are employed at the facility of the direct supplier or on-site service provider, interview a representative group using age-sensitive interview techniques;

(C) conduct interviews—

(i) on-site and, particularly in cases where there are indications of egregious violations about which employees may hesitate to discuss at work, off-site of the facility and during non-work hours; and

(ii) individually or in groups (except for purposes of subparagraph (B));

(D) use audit tools to ensure that each worker is asked a comprehensive set of questions;

(E) collect from interviewed workers copies of the workers’ pay stubs, in order to compare the pay stubs with payment records provided by the direct supplier;